

IN THE CLAIMS:

1.-2. (cancelled)

3. (currently amended) A system according to Claim [[1]] 47 wherein said server is configured to generate an updated collection priority value from uploaded collection data.

4. (currently amended) A system according to Claim [[1]] 47 wherein said server is configured to determine a time for a next customer contact based on uploaded collection data.

5. (currently amended) A system according to Claim [[1]] 47 wherein said server is configured with data to preclude a number of items from collection efforts.

6. (currently amended) A system according to Claim [[1]] 47 wherein said server is configured to upload at least one action code for each item, the action code entered by a user.

7. (currently amended) A system according to Claim 6 wherein said server is configured with action codes for at least one of a proof of delivery sent, an invoice copy faxed, referred to legal collections, referred to adjustments, faxed statement to customer, left a message for customer to call back, spoke with the right person but did not get a promise to pay, received a promise to pay, busy signal, no answer, applied payment and credit memo.

8. (currently amended) A system according to Claim [[1]] 47 wherein said server is configured to remove an item from said system when the item balance is zero.

9. (currently amended) A system according to Claim [[1]] 47 wherein the customer's internal payment history score is calculated from the equation

$$x_s = \text{Internal Payment History Score} = 2.5 \left[ \left( \frac{z_1 - x_1}{a} \right) \left( \frac{z_1}{b} \right) + \left( \frac{z_2}{c} \right) \right]$$

Where,

$$z_1 = \left( \frac{D_1(T_1+T_2+T_3)}{9T_1} + \frac{D_2(T_1+T_2+T_3)}{9T_2} + \frac{D_3(T_1+T_2+T_3)}{9T_3} \right), \text{ normalized average days late}$$

$$z_2 = \left( \frac{[D_3 \log(T_3) - \frac{T_3}{T_2} D_2 \log(T_2)] + [D_2 \log(T_2) - \frac{T_2}{T_1} D_1 \log(T_1)]}{2} \right), \text{ days late trend}$$

and where

a = Worst case number of days beyond the customer's average number of days late,

b = Worst case average days late caused by cyclic markets,

c = Absolute value of the days late velocity from on period to another,

T<sub>1</sub> = Current Period,

T<sub>2</sub> = Previous Period,

T<sub>3</sub> = Prior Period,

D<sub>1</sub> = Current Period,

D<sub>2</sub> = Previous Period, and

D<sub>3</sub> = Prior Period.

10. (original) A system according to Claim 9 wherein a is about 10, b is about 180, and c is about 10.

11. (currently amended) A system according to Claim [[1]] 47 wherein said server is configured to upload a red alert regarding an item and further configured to send an abuse notice to a user if a red flag has been applied to an item previously within a predetermined period.

12. (currently amended) A system according to Claim [[1]] 47 wherein said server is configured to generate collector reports on a cycle of at least one of daily, weekly, monthly and quarterly.

13. (currently amended) A system according to Claim [[1]] 47 wherein said server is configured to prompt a collector action based upon at least one of customer balance, days since letter sent, and time since last customer contact.

14. (cancelled)

15. (currently amended) A system according to Claim [[1]] 47 wherein  $a_1$  is about 1.43,  $a_2$  is about 37.37,  $a_3$  is about 11.59,  $a_4$  is about 1,  $a_5$  is about 8.89,  $a_6$  is about 2.69, and  $a_7$  is about 0.95.

16. (currently amended) A system according to Claim [[1]] 47 wherein said server is further configured to generate a list of items ordered by collection priority value.

17. (currently amended) A system according to Claim [[1]] 47 wherein said network is at least one of the Internet, an intranet, a local area network (LAN), a wide area network (WAN), dial-in-connections, cable modems and special high-speed ISDN lines.

18. (currently amended) A system according to Claim [[1]] 47 wherein said server is further configured to show data relating to the efficiency of collection efforts by a collector.

19. (original) A system according to Claim 18 wherein said server is further configured to show data relating to at least one of number of matters referred to a lawyer for collection, number of adjustments, number of invoices faxed, number of statements faxed.

20. (original) A system according to Claim 18 wherein said server is further configured to show data relating to at least one of number of debtors who failed to answer, number of correct debtors contacted, number of messages left, and number of promises to pay received.

21. (currently amended) A system for prioritizing debt collections for a collector having customers with debt, the debt relating to an item acquired by a customer, said system comprising:

means for receiving data relating to items associated with debt collections;

means for producing a collection priority value for an item to be collected, the collection priority value is based on ~~a credit score of the customer and an internal payment history score of the customer;~~ at least one of a number of days past due for an item, a value of an item, a customer's total outstanding balance, a customer's credit score, a customer's internal payment history score, a number of days since action due date for an item, and a total number of open items for that customer, wherein the collection priority value is determined from the equation:

$$PV = a_1x_1 + a_2\log(x_2)^{a_7} + a_3\left[\left(\frac{x_2}{\frac{x_3}{y}}\right)\right] + a_4x_4 + a_5x_5 + a_6x_6$$

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means for producing a collection priority queue based upon the collection priority value and data received assigned to each item, the collection priority queue used for conducting collection activities; and

means for producing a report regarding an outcome of collection activities;

where:

$x_1$  = Number of Days Past Due for Item,

$x_2$  = Value of Item,

$x_3$  = Customer's Total Outstanding Balance,

$x_4$  = Customer's Credit Score,

$x_5$  = Customer's Internal Payment History Score,

$x_6$  = Number of Days Since Action Due Date for Item,

$y$  = Total Number of Open Invoices for that Customer,

and

$a_1$  = Optimized Coefficient for  $x_1$ ,

$a_2$  = Optimized Coefficient for  $x_2$ ,

$a_3$  = Optimized Coefficient for  $x_3$ ,

$a_4$  = Optimized Coefficient for  $x_4$ ,

$a_5$  = Optimized Coefficient for  $x_5$ ,

$a_6$  = Optimized Coefficient for  $x_6$ , and

$a_7$  = Optimized Coefficient for  $\log(x_2)$ .

22. (cancelled)

23. (original) A system according to claim 21 further comprising means for storing data which precludes a number of items from collection efforts.

24. (previously presented) A system according to Claim 21 wherein the customer's internal payment history score is calculated from the equation

$$x_7 = \text{Internal Payment History Score} = 2.5 \left[ \left( \frac{z_1 \cdot x_1}{a} \right) \left( \frac{z_1}{b} \right) + \left( \frac{z_2}{c} \right) \right]$$

Where,

$$z_1 = \left( \frac{D_1(T_1+T_2+T_3)}{9T_1} + \frac{D_2(T_1+T_2+T_3)}{9T_2} + \frac{D_3(T_1+T_2+T_3)}{9T_3} \right), \text{ normalized average days late}$$

$$z_2 = \left( \frac{[D_3 \log(T_3) - \frac{T_3}{T_2} D_2 \log(T_2)] + [D_2 \log(T_2) - \frac{T_2}{T_1} D_1 \log(T_1)]}{2} \right), \text{ days late trend}$$

and where

$a$  = Worst case number of days beyond the customer's average number of days late,

$b$  = Worst case average days late caused by cyclic markets,

$c$  = Absolute value of the days late velocity from on period to another,

$T_1$  = Current Period,

$T_2$  = Previous Period,

$T_3$  = Prior Period,

$D_1$  = Current Period,

$D_2$  = Previous Period, and

$D_3$  = Prior Period.

25. (currently amended) A system according to Claim [[22]] 21 further comprising means for a user to upload at least one of action codes regarding an item and a red flag regarding an item, said system further comprising means to send an abuse notice to a user if a red flag has been applied to an item previously within a predetermined period.

26. (currently amended) A method for prioritizing debt collections for a collector having customers with debt, the debt relating to at least one item acquired by a customer, said method comprising the steps of:

uploading data to a computer relating to items associated with debt collections; and

calculating a collection priority value for each item uploaded, the collection priority value is based on ~~a credit score of the customer and an internal payment history score of the customer, the calculation is performed by the computer~~ at least one of a number of days past due for an item, a value of an item, a customer's total outstanding balance, a customer's credit score, a customer's internal payment history score, a number of days since action due date for an item, and a total number of open items for that customer, wherein the collection priority value is determined from the equation:

$$PV = a_1x_1 + a_2\log(x_2)^{a_2} + a_3 \left[ \frac{x_2}{\left( \frac{x_3}{y} \right)} \right] + a_4x_4 + a_5x_5 + a_6x_6$$

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generating a collection prioritization for the items uploaded based on the collection priority value calculated for each item;

providing a queue of prioritized items to collectors to drive collection efforts;

where:

$x_1$  = Number of Days Past Due for Item,

$x_2$  = Value of Item,

$x_3$  = Customer's Total Outstanding Balance,

$x_4$  = Customer's Credit Score,

$x_5$  = Customer's Internal Payment History Score,

$x_6$  = Number of Days Since Action Due Date for Item,

$y$  = Total Number of Open Invoices for that Customer,

and

$a_1$  = Optimized Coefficient for  $x_1$ ,

$a_2$  = Optimized Coefficient for  $x_2$ ,

$a_3$  = Optimized Coefficient for  $x_3$ ,

$a_4$  = Optimized Coefficient for  $x_4$ ,

$a_5$  = Optimized Coefficient for  $x_5$ ,

$a_6$  = Optimized Coefficient for  $x_6$ , and

$a_7$  = Optimized Coefficient for  $\log(x_2)$ .

27. (original) A method according to Claim 26 further comprising the step of determining a time for a next customer contact based on uploaded collection data.

28. (original) A method according to Claim 26 further comprising the step of marking an item with at least one action code regarding the item.

29. (original) A method according to Claim 28 further comprising the step of precluding a number of items from collection efforts, based on an action code.

30. (original) A method according to Claim 28 wherein said step of marking an item with at least one action code further comprises the step of marking an item as at least one of

proof of delivery sent, an invoice copy faxed, referred to legal collections, referred to adjustments, faxed statement to customer, left a message for customer to call back, spoke with the right person but did not get a promise to pay, received a promise to pay, busy signal, no answer, applied payment and credit memo.

31. (previously presented) A method according to Claim 26 further comprising the step of removing an item from the computer when a customer's total outstanding balance is zero.

32. (original) A method according to Claim 26 further comprising the step of generating a collections report based upon the uploaded data.

33. (original) A method according to Claim 26 further comprising the step of prompting an action based upon at least one of customer balance, days since letter sent and time since last customer contact.

34. (previously presented) A method according to Claim 26 wherein said step of calculating a collection priority value further comprises the step of calculating a collection priority value based on the customer's internal payment history score wherein the customer's internal payment history score is calculated from the equation

$$x_3 = \text{Internal Payment History Score} = 2.5 \left[ \left( \frac{z_1}{a} \right) + \left( \frac{z_2}{b} \right) + \left( \frac{z_3}{c} \right) \right]$$

Where,

$$z_1 = \left( \frac{D_1(T_1+T_2+T_3)}{9T_1} + \frac{D_2(T_1+T_2+T_3)}{9T_2} + \frac{D_3(T_1+T_2+T_3)}{9T_3} \right), \text{ normalized average days late}$$

$$z_2 = \left( \frac{[D_3 \log(T_3) - \frac{T_3}{T_2} D_2 \log(T_2)] + [D_2 \log(T_2) - \frac{T_2}{T_1} D_1 \log(T_1)]}{2} \right), \text{ days late trend}$$

and where

a = Worst case number of days beyond the customer's average number of days late,

b = Worst case average days late caused by cyclic markets,

c = Absolute value of the days late velocity from on period to another,



$T_1$  = Current Period,

$T_2$  = Previous Period,

$T_3$  = Prior Period,

$D_1$  = Current Period,

$D_2$  = Previous Period, and

$D_3$  = Prior Period.

35. (original) A method according to Claim 34 further comprising the step of assigning a at about 10, b at about 180, and c at about 10.

36. (original) A method according to Claim 26 further comprising the step of generating a list of items ordered by collection priority value.

37. (original) A method according to Claim 26 further comprising the step of determining an efficiency of collection efforts.

38. (cancelled)

39. (currently amended) A method according to Claim ~~[[38]]~~ 26 further comprising the step of setting  $a_1$  at about 1.43,  $a_2$  at about 37.37,  $a_3$  at about 11.59,  $a_4$  at about 1,  $a_5$  at about 8.89,  $a_6$  at about 2.69, and  $a_7$  at about 0.95.

40. (original) A method according to Claim 26 further comprising the step of generating a list of debtors rank-ordered by collection priority value.

41. (original) A method according to Claim 26 further comprising the step of generating data relating to the efficiency of collection efforts by a collector.

42. (previously presented) A method according to Claim 41 wherein the step of generating data relating to the efficiency of collection efforts by a collector further comprises the

step of showing data relating to at least one of time spent preparing an item for collection, calling regarding an item, and time spent on a call.

43. (previously presented) A method according to Claim 41 wherein the step of generating data relating to the efficiency of collection efforts by a collector further comprises the step of generating data relating to at least one of number of matters referred to a lawyer for collection, number of adjustments, number of invoices faxed, and number of statements faxed.

44. (previously presented) A method according to Claim 41 wherein the step of generating data relating to the efficiency of collection efforts by a collector further comprises the step of showing data relating to at least one of number of debtors who failed to answer, number of correct debtors contacted, number of messages left, and number of promises to pay received.

45. (currently amended) A computer program embodied on a computer-readable medium for prioritizing debt collections for a collector having customers with debt, the debt relating to an item acquired by a customer, said program comprising at least one code segment that:

records data relating to items associated with debt collections;

generates a collection priority value for each item recorded, the collection priority value is based on ~~a credit score of the customer and an internal payment history score of the customer;~~ at least one of a number of days past due for an item, a value of an item, a customer's total outstanding balance, a customer's credit score, a customer's internal payment history score, a number of days since action due date for an item, and a total number of open items for that customer, wherein the collection priority value is determined from the equation:

$$PV = a_1x_1 + a_2\log(x_2)^{a_7} + a_3 \left[ \frac{x_2}{\left( \frac{x_3}{y} \right)} \right] + a_4x_4 + a_5x_5 + a_6x_6$$

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assigns a collection priority value to each item; and

provides a queue of prioritized items to collectors to drive collection efforts based on the collection priority value assigned to each of the items

where:

$x_1$  = Number of Days Past Due for Item,

$x_2$  = Value of Item,

$x_3$  = Customer's Total Outstanding Balance,

$x_4$  = Customer's Credit Score,

$x_5$  = Customer's Internal Payment History Score,

$x_6$  = Number of Days Since Action Due Date for Item,

$y$  = Total Number of Open Invoices for that Customer,

and

$a_1$  = Optimized Coefficient for  $x_1$ ,

$a_2$  = Optimized Coefficient for  $x_2$ ,

$a_3$  = Optimized Coefficient for  $x_3$ ,

$a_4$  = Optimized Coefficient for  $x_4$ ,

$a_5$  = Optimized Coefficient for  $x_5$ ,

$a_6$  = Optimized Coefficient for  $x_6$ , and

$a_7$  = Optimized Coefficient for  $\log(x_2)$ .

46. (cancelled)

47. (currently amended) A system for prioritizing debt collections for a collector having customers with debt, the debt relating to an item acquired by a customer, said system comprising:

at least one computer;

a server configured to:

receive data from the at least one computer relating to items associated with debt collections;

generate a collection priority value for each item entered into said system, the collection priority value is based on at least one of a number of days past due for an item, a value of an item, a customer's total outstanding balance, a customer's credit score, a customer's internal payment history score, a number of days since action due date for an item, and a total number of open items for that customer, wherein the collection priority value is determined from the equation:

$$PV = a_1x_1 + a_2\log(x_2)^a + a_3\left[\frac{x_2}{\left(\frac{x_3}{y}\right)}\right] + a_4x_4 + a_5x_5 + a_6x_6$$

generate a collection prioritization for the items stored within said system based on the collection priority value assigned to each item;

generate reports of collection activity associated with the items; and

provide a queue of prioritized items to users to drive collection efforts; and

a network interconnecting said server to said computers,

where:

$x_1$  = Number of Days Past Due for Item,

$x_2$  = Value of Item,

$x_3$  = Customer's Total Outstanding Balance,

$x_4$  = Customer's Credit Score,

$x_5$  = Customer's Internal Payment History Score, ~~a trend value derived from the values discussed below,~~

$x_6$  = Number of Days Since Action Due Date for Item,

$y$  = Total Number of Open Invoices for that Customer,

and

$a_1$  = Optimized Coefficient for  $x_1$ ,

$a_2$  = Optimized Coefficient for  $x_2$ ,

$a_3$  = Optimized Coefficient for  $x_3$ ,

$a_4$  = Optimized Coefficient for  $x_4$ ,

$a_5$  = Optimized Coefficient for  $x_5$ ,

$a_6$  = Optimized Coefficient for  $x_6$ , and

$a_7$  = Optimized Coefficient for  $\log(x_2)$ .

48. (previously presented) A system for prioritizing debt collections for a collector having customers with debt, the debt relating to an item acquired by a customer, said system comprising:

at least one computer;

a server configured to:

receive data from the at least one computer relating to items associated with debt collections;

generate a collection priority value for each item entered into said system, the collection priority value is based on at least one of a number of days past due for an item, a value of an item, a customer's total outstanding balance, a customer's credit score, a customer's internal payment history score, a number of days since action due date for an item, and a total number of open items for that customer, wherein the customer's internal payment history score is calculated from the equation:

$$x_s = \text{Internal Payment History Score} = 2.5 \left[ \left( \frac{z_1 - x_1}{a} \right) \left( \frac{z_1}{b} \right) + \left( \frac{z_2}{c} \right) \right]$$

Where,

$$z_1 = \left( \frac{D_1(T_1 + T_2 + T_3)}{9T_1} + \frac{D_2(T_1 + T_2 + T_3)}{9T_2} + \frac{D_3(T_1 + T_2 + T_3)}{9T_3} \right), \text{ normalized average days late}$$

$$z_2 = \left( \frac{[D_3 \log(T_3) - \frac{T_3}{T_2} D_2 \log(T_2)] + [D_2 \log(T_2) - \frac{T_2}{T_1} D_1 \log(T_1)]}{2} \right), \text{ days late trend}$$

generate a collection prioritization for the items stored within said system based on the collection priority value assigned to each item;

generate reports of collection activity associated with the items; and

provide a queue of prioritized items to users to drive collection efforts; and

a network interconnecting said server to said computers,

where:

a = Worst case number of days beyond the customer's average number of days late,

b = Worst case average days late caused by cyclic markets,

c = Absolute value of the days late velocity from on period to another,

T<sub>1</sub> = Current Period,

$T_2$  = Previous Period,

$T_3$  = Prior Period,

$D_1$  = Current Period,

$D_2$  = Previous Period, and

$D_3$  = Prior Period.